



March 1, 2013

VIA ELECTRONIC FILING

Ms. Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Ms. Boyd:

Re: Filing of Quarterly Monitoring Report by Piedmont Natural Gas Company, Inc.
Pursuant to S.C. Code §58-5-430
Docket No. 2012-7-G

Pursuant to Section 58-5-430 of the South Carolina Natural Gas Rate Stabilization Act, enclosed is the quarterly monitoring report for the twelve-month period ending December 31, 2012, for Piedmont Natural Gas Company, Inc.

If you have any questions about this filing, you may reach me at 704-731-4560 or Robert Thornton at 704-731-4148.

Sincerely,

s/ Jenny Furr
Jenny Furr
Manager, Regulatory Reporting

Enclosures

c: ORS – Carey Stites (via UPS overnight)
Nanette S. Edwards
James H. Jeffries IV

CERTIFICATION

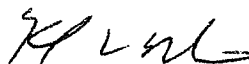
I, Thomas E. Skains and Karl W. Newlin, state and attest, under penalty of perjury, that the attached Quarterly Monitoring Report is filed on behalf of Piedmont Natural Gas Company, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Thomas E. Skains
President and CEO

February 27, 2013

Date Signed



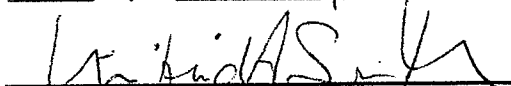
Karl W. Newlin
Senior Vice President and CFO

Feb. 27, 2013

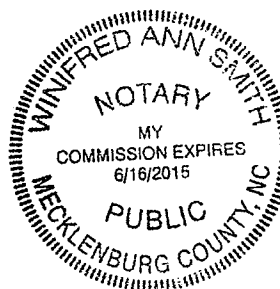
Date Signed

Subscribed and Sworn to before me this

27th day of February, 2013.


Notary Public

My Commission Expires 6/16/15.



Net Operating Income and Rate of Return
For The Twelve Months Ended December 31, 2012
South Carolina
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	(1)	(2)	(3)
	<u>Per Filing</u>	<u>Accounting And Pro Forma Adjustments</u>	<u>After Pro Forma Adjustments</u>
Operating Revenues			
Sale of Gas	\$ 118,155,959	\$ 9,661,147	\$ 127,817,106
Other Operating Revenues	780,883	-	780,883
Total Operating Revenue	<u>\$ 118,936,843</u>	<u>\$ 9,661,147</u>	<u>\$ 128,597,989</u>
Operating Expenses			
Cost of Gas	\$ 53,062,464	\$ 8,109,073	\$ 61,171,537
Other Operation & Maintenance	27,603,742	(382,417)	27,221,325
Depreciation	11,015,646	474,693	11,490,339
General Taxes	6,083,647	(42,674)	6,040,973
State Income Taxes	1,098,868	(202,352)	896,516
Federal Income Taxes	5,230,014	709,017	5,939,031
Amort. of ITC	(38,605)	-	(38,605)
Total Operating Expenses	<u>\$ 104,055,775</u>	<u>\$ 8,665,342</u>	<u>\$ 112,721,116</u>
Net Operating Income	<u>\$ 14,881,068</u>	<u>\$ 995,805</u>	<u>\$ 15,876,873</u>
Interest on Customer Deposits	(123,757)	-	(123,757)
Amortization of Debt Redemption Premium	-	-	-
AFDUC	245,448	-	245,448
Customer Growth	99,703	6,672	106,375
Net Operating Income For Return	<u>\$ 15,102,462</u>	<u>\$ 1,002,477</u>	<u>\$ 16,104,939</u>
Original Cost Rate Base			
Plant in Service	\$ 412,315,249	\$ -	\$ 412,315,249
Accumulated Depreciation	(183,260,198)	-	(183,260,198)
Net Plant in Service	<u>\$ 229,055,051</u>	<u>\$ -</u>	<u>\$ 229,055,051</u>
Add:			
Construction Work in Progress	23,403,200	-	23,403,200
Materials and Supplies	11,893,724	-	11,893,724
Cash Working Capital	2,080,456	(47,802)	2,032,654
Deduct:			
Customer Advances for Construction	-	-	-
Customer Deposits	3,331,108	-	3,331,108
Accumulated Deferred Income Taxes	60,317,189	-	60,317,189
Unclaimed Funds	147,826	-	147,826
Total Original Cost Rate Base	<u>\$ 202,636,308</u>	<u>\$ (47,802)</u>	<u>\$ 202,588,506</u>
Return on rate base	<u>7.45%</u>		<u>7.95%</u>

Net Operating Income and Rate of Return
For The Twelve Months Ended December 31, 2012
South Carolina
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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			After Accounting and Proforma Adjustments						
	Per Books Capitalization	Accounting and Pro Forma Adjustments	Settlement Capitalization	Calculated Ratio %	* Agreed to Ratio %	Cost Net Investment	Embedded Cost %	Overall Cost Rate %	Net Operating Income
1. Long-Term Debt	\$ 863,775,081	\$ -	\$ 863,775,081	44.89%	44.89%	\$ 90,938,094	5.35%	2.40%	\$ 4,865,188
2. Common Equity	1,060,510,949	-	1,060,510,949	55.11%	55.11%	111,650,412	10.07%	5.55%	11,239,751
3. Total	\$ 1,924,286,030	\$ -	\$ 1,924,286,030	100.00%	100.00%	\$ 202,588,506		7.95%	\$ 16,104,939

*Note: Based on Agreement, the Common Equity Ratio will not fall below 53% or go above 57% and the Long-Term Debt Ratio will not fall below 43% or go above 47%.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email and UPS Overnight upon:

Nanette S. Edwards
Carey Stites
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
nsedwar@regstaff.sc.gov
cstites@regstaff.sc.gov

And that a copy of the attached *Quarterly Monitoring Report of Piedmont Natural Gas Company, Inc.* is being served this date via email and U.S. Mail upon:

David Carpenter
Vice President
Planning and Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
david.carpenter@piedmontng.com

and

Pia Powers
Manager, Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 1st day of March, 2013.

s/ James H. Jeffries IV
James H. Jeffries IV